

Message Text

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61

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 OPIC-12 L-03 AID-20 PA-04 PRS-01

USIA-15 CIAE-00 INR-10 NSAE-00 RSC-01 H-03 XMB-07

TRSE-00 OMB-01 CIEP-02 DRC-01 /108 W

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R 092017Z NOV 73

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 4223

INFO USDOC WASHDC

LIMITED OFFICIAL USE BUENOS AIRES 8183

E.O. 11652: N/A

TAGS: ECON, AR

SUBJECT: ARGENTINE DRAFT FOREIGN INVESTMENT LAW PASSED
INTO LAW BY CHAMBER OF DEPUTIES

REF: A) BA 8124; B) BA-7920; C) BA-7848; D) BA-7417;
E) BA-7157; F) BA-5756; G) BA-4568.

1. ACCORDING TO LOCAL PRESS REPORTS, CHAMBER OF DEPUTIES NOV. 7 VOTED FINAL APPROVAL OF DRAFT FOREIGN INVESTMENT LAW, ENDING OVER FOUR MONTHS OF LEGISLATIVE WRANGLING. DEPUTIES ACCEPTED SENATE POSITION ON TWO REMAINING POINTS OF DISPUTE, DISCUSSED IN REFS. B AND C, PERMITTING 20 PER CENT MARGIN FOR NEW FOREIGN INVESTMENT IN RESERVED ECONOMIC SECTORS AND DELETING EXPLICIT LIMIT ON LOCAL SHORT-TERM BORROWING BY FOREIGN FIRMS. LAW ALSO INCORPORATES SENATE WORDING REGARDING ROYALTIES, CREDITS, OTHER PAYMENTS BETWEEN LOCAL SUBSIDIARIES AND FOREIGN PARENT COMPANIES, REPORTED IN REF D.

2. ACTION BY DEPUTIES CONTRADICTS EARLIER INDICATION, REPORTED REF A, THAT PERON MIGHT HAVE DECIDED TO REPLACE THIS BILL WITH NEW TEXT. IN ANY CASE, FREJULI BLOC IN DEPUTIES REVERSED EARLIER POSITION IN VOTING

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FINALLY TO ACCEPT SENATE VERSION, SINCE BUDGET AND

FINANCE COMMITTEE VOTED UNANIMOUSLY ON OCT. 23 TO
REJECT SENATE AMENDMENTS ON THE DISPUTED POINTS AND
REPORT OUT ITS marginally more restrictive version
ONCE AGAIN FOR APPROVAL BY FULL CHAMBER. EVALUATION
OF POINTS AT ISSUE EXPRESSED IN REF B STILL STANDS.
PERON APPEARS TO HAVE INSISTED FINALLY ON ENDING
LEGISLATIVE HAGGLING IN ORDER TO HAVE SETTLED INVEST-
MENT RULES AND DECREASE BUSINESS UNCERTAINTY. FURTHER
COMMENT AND ANALYSIS WILL FOLLOW SEPARATELY.
LODGE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INVESTMENT LAW, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BUENOS08183
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731145/aaaabgsn.tel
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A) BA 8124; B) BA-7920; C) BA-7848;; D) BA-7417;
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 15 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15-Jan-2002 by shawdg>; APPROVED <06 MAR 2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ARGENTINE DRAFT FOREIGN INVESTMENT LAW PASSED INTO LAW BY CHAMBER OF DEPUTIES
TAGS: ECON, EFIN, AR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005